



March 7, 2003

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, D.C. 20554

Re: *ExParte* Notice
Appropriate Framework for Broadband Access to the Internet
over Wireline Facilities, CC Docket No. 02-33

Dear Ms. Dortch:

Jill Canfield, NTCA, Margot Humphrey, NRTA and the undersigned met with the following Commission staff on Thursday, March 6, 2003: Michael Carowitz, Cathy Carpino, Bill Kehoe, Brent Olson, Terri Natoli, Jane Jackson and Carol Matthey, Wireline Competition Bureau, and Harry Wingo, Office of General Counsel.

We discussed the positions presented by the Associations in their comments in the above docket. An outline of the items discussed is attached.

Sincerely,

/s/ L. Marie Guillory
L. Marie Guillory

cc: Michael Carowitz, Wireline Competition Bureau
Cathy Carpino, Wireline Competition Bureau
Bill Kehoe, Wireline Competition Bureau
Brent Olson, Wireline Competition Bureau
Terri Natoli, Wireline Competition Bureau
Jane Jackson, Wireline Competition Bureau
Carol Matthey, Wireline Competition Bureau
Harry Wingo, Office of General Counsel

Appropriate Framework for Broadband Access to the Internet Over Wireline Facilities

CC Docket No. 02-33

- The redefinition of wireline broadband Internet access services as “information services” will defeat the Commission’s broadband policy.
 - The Commission’s goal is to encourage broadband deployment throughout the nation.
 - Rural companies have made substantial progress in deploying broadband under existing rules that permit them to invest in rural areas and share risks through participation in the NECA pools.
 - Rural companies offer wireline broadband Internet access services as common carriers and need the ability to continue to do so.
- Regulatory flexibility may be necessary for some ROR carriers, but mandatory reclassification of the services of all carriers would cause substantial adverse consequences and unpredictable side effects for rural carriers.
 - Some ROR carriers face competition from providers that enjoy pricing flexibility and other advantages because they are not regulated under Title II.
 - The Commission can accommodate the needs of these carriers and larger carriers facing competition without redefining their services in a manner that forces them to forfeit the benefits of NECA pooling, the interstate ROR and sufficient cost recovery.
- Changes should promote universal service goals.
 - Services that are assessed today should continue to be assessed even if they are reclassified.
 - All facilities-based broadband Internet access services should be assessed.
 - These providers provide telecommunications to themselves and compete with providers whose services are assessed.
 - The Commission has ancillary jurisdiction to assess these providers and it should do so to ensure that support is adequate to achieve its universal service goals.
 - Only “telecommunications services” can be added to the list of services supported by the federal mechanisms, so redefinition will not permit support to finish the task of nationwide availability when the time comes.